

MINUTES
MURFREESBORO WATER AND SEWER BOARD
February 22, 2011

The Murfreesboro Water and Sewer Board met on Tuesday, February 22, 2011 in the conference room at Operations & Maintenance Building, 1725 S. Church Street. Present at the meeting were Board members: Mr. Clay Beach, Mr. Toby Gilley, Dr. Al Carter, Mr. Blake Smith, Ms. Sandra Trail and Ms. Kathy Nobles. Also present were Joe Kirchner, Darren Gore, Valerie Smith, Michele Pinkston, Susan Rucinski, Keith Carpenter, Alan Cranford, Susan McGannon, Mike Bernard, Richard Baines, Jamie Reed, and Jim Crumley along with other members of the public.

The Board considered the Minutes from the January 25, 2011 meeting. The Minutes were unanimously approved as submitted.

The Board next considered bids for the purchase of standing hay at the Jordan farm. Staff advertised for bid, the purchase of standing hay at the Jordan Farm on February 6, 2011. Bids were received on February 18, 2011 from two (2) prospective bidders.

James Campbell	\$14.25 per 5' diameter x 4' Round Bale
Steve McNabb	\$15.25 per 5' diameter x 4' Round Bale

Mr. McNabb was the high bidder, which was the basis for awarding the Contract. Mr. McNabb is qualified to perform the work and was awarded the previous standing hay Contract from the City. Therefore, Staff recommended the Water and Sewer Board recommend to City Council awarding the referenced contract to Mr. Steve McNabb. All proceeds received from payment by Mr. McNabb will be deposited in the expense account associated with operating the Jordan Farm.

Sandra Trail made a motion to award the contract to Mr. McNabb. Toby Gilley seconded the motion. The motion was unanimously accepted.

The Board considered a request to abandon a portion of an existing 20' sewer easement at Jefferson Square. Huddleston Steele Engineering, Inc. (H/S) requested, on behalf of Wayne Belt, developer of Jefferson Square III, to abandon a portion of an existing twenty (20) foot sewer easement at the above development. All of Jefferson Square is served with sewer from an 8" sewer main extension from the rear of the property. The latest building built is labeled Section I, Phase III and a small portion of the site remains adjacent to this building. At the time of this Section I, Phase III building, it was Mr. Belt's plan to have identical buildings on this remaining portion. These buildings would not have encroached into the existing sewer easement. Since that time, Mr. Belt has plans to separate the one building into two buildings for the remaining area, of which, he only plans to build the Section II, Phase III building at this time. It is the Section III, Phase III building that will encroach into the existing easement. Mr. Belt is willing to dedicate additional easement on the side of the main opposite of the building; however, it is not the recommendation of Staff to release any portion of the existing easement.

The Department's minimum required width for an easement is twenty (20) feet centered over the main to give ten (10) feet of access on either side. This is not to say that there are not any easements in the system where the main is not centered. The existing sewer main has been located by Huddleston Steele. If the requested portion of the easement is released, the existing sewer main will only be located five (5) feet from the edge of the building. This limits access to the sewer main should Operations & Maintenance have a need to work on the main.

Therefore, Staff does not recommend that the Board recommend to the City Council approval of the requested abandonment of a portion of the existing sewer easement.

Sandra Trail made a motion to deny the request. It was seconded by Dr. Carter. The motion to deny was unanimously passed.

The Board next considered proposed revisions to the Private Lateral Rehabilitation Policy.

In January and February of 2009 the Board and City Council approved the Private Lateral Rehabilitation Program. Currently, this policy requires staff to confirm Infiltration and Inflow (I/I) is entering the system using the methods listed below prior to rehabilitating any private lateral.

"Laterals will only be recommended for repair where they are confirmed to be contributing significant I/I to the collection system. This I/I contribution may be confirmed by:

- Direct TV inspection of a lateral
- Visible clear flow observed at a service tap while conducting main line TV inspection followed up by lateral TV inspection
- By clear flow observed at the property line cleanout originating on the private side confirmed by lateral TV inspection
- By clear flow observed at the property line cleanout originating on the private side confirmed by smoke testing results, by dye testing results or by some other satisfactory method to confirm leakage

Over the last year, staff used bullet point four (4) above and performed smoke testing during dry weather and video during wet weather within the O'Brien Drive area. This work was done through the Department's contracts with ADS and Apps Video. This method was chosen because it did not require access to private property. The results of the video inspections, smoke testing and defects were plotted in the geographic information system (GIS). The graphic results did not overlap as expected confirming the clear water coming out of the lateral was not coming from the hole/crack in the private lateral that was allowing the smoke to escape.

City Attorney Susan McGannon reminded the Board that Staff had originally recommended the private property owner pays a proportionate share of the private sewer lateral replacement. The City Council amended the policy so that the private property owner should not have to pay anything; ~~Therefore~~therefore, it is not as critical to perform two methods of testing as was initially proposed.

Staff proposed the policy be amended only requiring one method of field investigation as confirmation of I/I to allow the Department to proceed with rehabilitating the private lateral at no cost to

the owner. Staff recommended the Board recommend to the City Council the following policy as amended:

Private Lateral Rehabilitation Policy -2/15/2011

It is the policy of the Department to require repair of private lateral defects which result in significant infiltration or inflow ("I/I") of stormwater runoff or groundwater entering the Department's sanitary sewer collection system. Significant I/I is that which is visible, measurable or otherwise confirmable. It is also the policy of the Department to be financially responsible in performing such required repairs to residential sewer owners.

Rehabilitation methods required will vary based upon the type of pipe involved and the nature of the defect.

It is the Department's policy to require that laterals contributing significant I/I, if constructed of brittle, corrosive or discredited pipe materials such as vitrified clay, concrete, cast iron or orange burg pipe, be totally replaced. Total replacement is necessary because it is very likely that any defect noted on these types of pipe is not limited to a single location and that other locations will begin to leak over time. In addition, the act of conducting a point repair may damage other portions of the pipe. Defects on newer, more flexible PVC pipe will usually be point repaired if the defects are isolated to particular locations.

The Department will participate in private lateral rehabilitations at Department expense provided that:

- The defects contribute significant I/I
- The defects are in areas upstream of sanitary sewer overflows or significant capacity issues
- The property owner agrees to allow the Department's authorized work crews on the property
- The property owner agrees to hold the Department harmless from any damage or claim arising from the work

Any private lateral rehabilitation conducted by the Department will typically be conducted only in the context of projects identified by the most recent revision of the Department's Sanitary Sewer Rehabilitation Plan or in areas where mainline rehabilitation has already been performed prior to the inception of this policy. Infrequently, a serious concern may lead to Department participation at another area or site.

Laterals will only be recommended for repair where they are confirmed to be contributing significant I/I to the collection system. This I/I contribution may be confirmed by any one of the following methods:

- Direct TV inspection of a lateral.
- Visible clear flow observed at a service tap while conducting main line TV inspection after the public portion of the lateral has been rehabilitated.
- Clear flow observed at the property line cleanout originating on the private side.
- Smoke testing results.
- Dye flood testing results verified by dyed sewage flow observed at the property line cleanout originating on the private side
- Some other satisfactory method to confirm leakage.

The Department will provide the lateral rehabilitation and basic site restoration that will include leveling the trench and reseeding with grass. Any additional restoration, such as gardens and other landscaping, will remain the responsibility of the property owner.

The Department does not require owner participation in the expense. The Department will develop procedures that will confirm and document defects and, ensure proper communication with owners.

Upon confirmation that a private lateral does contribute significant I/I, the property owner will be informed by registered mail regarding the defective lateral and its violation of the sewer use ordinance. They will be informed of the process including how, in order to have MWSD perform the required work, they must grant permission and hold MWSD harmless for the repairs and/or replacement and how, should they not agree to this process, they will be responsible for eliminating the I/I at their own expense and be given a completion date for doing so.

The Department will not participate in the required rehabilitation of private sewer systems or service lines serving multi-family residential, mobile home parks, industrial properties, commercial properties, restaurants and other commercial users. Defects on these properties must be repaired at the expense of the property or business owner. Those not meeting criteria for the Department's participation will be notified that they are in violation of the sewer use ordinance and be given a time schedule for eliminating the I/I and information as to the nature and extent of the repair required.

After discussion, Blake Smith made a motion to accept Staff's recommendation. Kathy Nobles seconded. The Board unanimously carried.

The Board next reviewed the annual Identity Theft Program and Policy.

As part of the Red Flag regulation passed in 2007 by the Federal Trade Commission and as prescribed by Section 8 of the Identity Theft Program, approved by the Water and Sewer Board on October 28, 2008, the second annual review was prepared. This is to report on the effectiveness of this program and compliance with the regulatory requirements.

The "Red Flag" Identity Theft Program has been implemented in the Customer Service department. Staff has received a copy of the approved policy for future reference. Individual training sessions, on March 16, 2010 and, January 21, 2011, have been conducted with Customer Service Clerks, Cashiers, Meter Reader Foreman and Receptionist as it related to their respective job tasks.

Since the program has been implemented, the Identity Theft Program Manager, Sharon Seibert, has addressed twenty-five formal claims of Red Flag events. Six customers have reported bank fraud claims. Seven claims were closed due to inadequate documentation where the customer failed to provide a police or bank report (s). In most of these cases the customer implicated a friend or family member in the fraud. The bank fraud claims ranged from home burglaries and on line fraud to an ATM card used at the airport that caused their checking account to bounce their check written to Water and Sewer department. The ATM fraud claim was confirmed by the police and bank. The remaining claims fell under regular identity theft (lack of proper identification), termination or conversion of accounts for deceased customers or the customer was deceased at the time the water and sewer account was initiated or active. In all cases, the working instructions of the identity theft program were executed to address each of the twenty-five claims. Because the working instructions are a living document, changes have been recommended and adopted to protect our covered accounts and customers from identity theft. A list of the updates is listed below:

- a. To assist commercial accounts to continue their participation in our bank draft program, staff created a new option that will accept a letter from a banking institution, in place of a voided check, where the bank describes the customers account as a depository only account that is unable to issue checks. MTMC is the first customer to utilize this option.

- b. Prior to implementing an interactive voice response system to notify customers of water outages, bill amounts or their cut off date, staff is updating and populating phone numbers on accounts during three events, while Customer Service processes their mail or cashier payments.
- c. Staff has added a provision for Estates or Trusts to initiate new or transfer service.
- d. Only the person whose name is on the returned check will be able to pick up and receive the actual check back. Otherwise, once the return check fees are paid, the check will be mailed back to the address displayed on the check or shredded if no address is displayed.

In accordance with the Opens Records Act, customers inquiring on accounts that are not theirs will have to follow the guide lines by the City's payment and request of these documents. At no time will staff provide phone sensitive information on a covered account; with the exception of other utilities, the City, or official police requests.

Toby Gilley made a motion to accept the report. Blake Smith seconded. The Board unanimously accepted.

Staff presented an update on the implementation of the Department Disconnection Policy.

Customers that have been disconnected are down by 429 through the same period last month. From customer comments, staff found that many misinterpret the bill and some reported they never received a bill. To help these customers, the Department is adding to the web site, a sample bill identifying due date, penalty date and disconnect date. The customer can search for their address and be linked to a map for the due date and disconnection date at that location. This data will be updated nightly. There is a misunderstanding by many customers how long they have to pay the bill. The Customer Service Schedule of Dates is expanded to give the number of days from a bill being mailed to the due date and disconnect date. For March, customers have 14 days from the day the bill is mailed to pay before the penalty fee (10%) is applied on the day after the due date. There are from 9 to 14 days from the due date to the disconnect date giving the customer from 24 to 29 days before being disconnected. A customer may request an extension for an additional 3 to 6 days to make payment if they can't pay by the disconnect date. Longer extensions must be approved by the Director under special circumstances. Customers must come into the office prior to the disconnect date to request an extension. An extension is not normally granted after disconnection and the disconnect fee of \$40 will apply. The Department is encouraging customers to take advantage of the automatic debiting program. Thus far, over 100 have applied.

 A Request for Proposals is being prepared for an Electronic Transaction Payment System which will allow customers to view their bill online and pay via the internet or through an Interactive Telephone Voice Response System (IVR). The IVR system will also allow for customers to be automatically called after the due date to remind them to make payment before being disconnected. They will be able to select an option at that time to pay the bill over the telephone. The RFP process is expected to take 60 to 90 days and another 90 days for implementation.

The Board discussed the policy and the cut off time in depth requesting 30 days be given for payment before a customer is disconnected. The Board requested that Staff have further information and something to vote on at the next meeting.

Staff presented the December Financial Summary.

The March Board Meeting will be held at the Operations & Maintenance in the Conference Room on March 15, 2011 at 3:30 p.m.

There being no further business, the meeting was adjourned.

Clay Beach, Acting Chairman